

STATEMENT OF F. JOSEPH MORAVEC
COMMISSIONER
PUBLIC BUILDINGS SERVICE
U.S. GENERAL SERVICES ADMINISTRATION

BEFORE THE
SUBCOMMITTEE ON THE COAST GUARD AND MARITIME
TRANSPORTATION
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
UNITED STATES HOUSE OF REPRESENTATIVES

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Good morning Mr. Chairman and members of the Subcommittee. My name is F. Joseph Moravec, and I am the Commissioner of the Public Buildings Service of the United States General Services Administration. I am pleased to appear before you today and to provide information on the Administration's plan to consolidate District of Columbia elements of the United States Coast Guard at the West Campus of the former St. Elizabeths Hospital in Washington, D.C.

St. Elizabeths West Campus presents a unique opportunity to provide the Coast Guard's headquarters operations with a high-quality, cost-effective facility in the District of Columbia that will support its mission to protect the public, the environment, and U.S. economic interests. The site is the only asset under GSA's control in Washington, DC that has the development capacity to meet the needs of agencies with large housing requirements. It is a 182-acre urban campus 2½ miles from the U.S. Capitol and easily accessible from the District's central employment area. GSA acquired the property to help satisfy the substantial demand for Federal workspace in Washington.

Over the next 10 years, 10 Federal agencies with large space requirements will need approximately nine million square feet of office space. GSA estimates that St. Elizabeths could accommodate more than three million gross square feet of combined existing and new construction. Furthermore, St. Elizabeths combines the proximity and convenience of an urban site with the size and topography to meet Federal security requirements.

The Coast Guard is currently housed in several leased locations within the District of Columbia that are no longer suitable for its needs. The largest of these is the 32-year-old, 725,000-gross-square-foot Transpoint Building at Buzzard Point, which the owner intends to renovate. The building's condition is marginal. Also, as the building is located on the banks of the Anacostia River, it is vulnerable to floods. Coast Guard operations were hampered during Hurricane Isabel due to the flooding of the building's underground parking. Furthermore, the agency has outgrown its current locations. As the lease of the Transpoint Building expires in FY 2008, this is an opportune time to develop a housing solution for the Coast Guard that will provide for the consolidation of its workforce and meet its specific space requirements.

By consolidating activities in the District of Columbia at the St. Elizabeths site, the Coast Guard will gain operational efficiencies and ensure continuity of its national security functions. Since the Federal Government owns St. Elizabeths, we do not need to request funding for site acquisition. Our analysis for this proposal shows that the cost of new construction and renovation over a 30-year horizon is less than the cost of leasing space. Thus, relocation to St. Elizabeths will not only consolidate the Coast Guard's headquarters functions in the District of Columbia; it will provide an effective space solution for the agency and will facilitate the careful management of Federal assets.

The President's Budget for Fiscal Year 2006 proposes \$13.1 million in funding for the rebuilding of the West Campus infrastructure including studies and design. In addition, the design prospectus supporting the budget request seeks authority for \$25 million for the design of the new U.S. Coast Guard headquarters at St. Elizabeths. The proposal provides for the consolidation of approximately 4,000 employees in approximately one million gross square feet of space – which may take the form of a combination of new construction and the renovation of existing buildings to meet the Coast Guard's District of Columbia space requirements. The total project (design and construction) is currently estimated at more than \$300 million.

We are working with the Coast Guard to finalize its program of requirements and hope to submit a proposal to Congress for construction funds in FY 2007. We also are developing, with the Coast Guard, a plan for occupancy beginning in FY 2010. Complete development of the site, with other Federal tenants, could be as early as FY 2014. Once these programmatic requirements are finalized, GSA's Design Excellence program will allow the country's leading architects to compete to design a world-class Coast Guard Headquarters.

As I mentioned, one of the attractions of the St. Elizabeths site is its size. It can accommodate more than three million plus square feet of space, sufficient to house several Federal agencies in addition to the Coast Guard. The National Capital Region is getting ready to do a master plan for the reuse of the St.

Elizabeths West Campus and will identify additional Federal tenants, which would be compatible with the site, the Coast Guard and the community.

St. Elizabeths is an important asset in the government's real estate portfolio. It has very significant potential to serve the Federal real estate needs and it will provide an opportunity for the Federal Government to create a world class headquarters for the United States Coast Guard and other major agencies in an urban Federal campus, and an opportunity to reuse a historic Federal facility. Through redevelopment of the St. Elizabeths site for the headquarters of the United States Coast Guard, the Federal Government can leverage its real estate investment to ensure efficient and effective asset management and provide a state-of-the-art facility for a major Federal agency.

That concludes my prepared statement Mr. Chairman and I will be pleased to answer any questions you or the other members may have on this matter.